GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:438
ANSWERED ON:24.08.2000
SHORTFALL IN THE OUTPUT OF CRUDE OIL DURING NINTH PLAN
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether according to mid-term review paper of Planning Commission, the output of crude oil during the Ninth Plan is likely to fall short of the target by 15 million tonnes;

(b) if so, the reasons therefor;

(c) the target fixed and likely to be achieved during the Ninth Plan;

(d) whether gas production is also likely to fall short of the target by 12 per cent;

(e) if so, the reasons therefor; and

(f) the steps being taken by the Government in this direction?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 438 D/ 24.8.2000 REGARDING SHORTFALL IN THE OUT PUT OF CRUDE OIL DURING NINTH PLAN

(a) to (c) During the Mid-Term appriasal by Planning Commission of the Ninth Plan, it has emerged that output of crude oil during the Plan period is likely to be 169.78 Million Metric Tonnes (MMT) as against the original target of 180.82 MMT. The reasons for the likely shortfall in crude oil are:-

(i) The major oil fields including Mumbai High, are in the natural declining phase with age.

(ii) No significant or major oil field has been discovered for the last several years.

(iii) Continued environment problems in North-Eastern Region and its cascading effect has resultedin less base potential due to subdued drilling and work over activities.

(iv) Delay in commissioning of Enhanced Oil Recovery schemes in the heavy oil belt of North Gujarat.

(v) Major downward revision of producible reserves of Neelam field.

(d) The Mid-term appraisal indicates that the gas production is likely to fall short of the target by about 5%.

(e) The reasons for shortfall in production of natural gas are:-

(i) Closure of high `Gas Oil Ratio`(GOR) wells in Mumbai High

(ii) Irregular offtake of gas by consumers, in addition to the less offtake during turnaround of their plants.

(iii) Shut down for hooking up of new facilities in Vasai and Mumbai High fields.

(iv) Less associated gas production due to corresponding lower production of crude oil.

(f) Various steps taken to increase the production of crude oil and natural gas are:-

(i) Optimizing production from existing fields through better reservoir management, 3-D seismic surveys, infill drilling, pressure maintenance, installation/optimisation of artificial lift system and use of advanced and cost effective technologies and improvement in recovery factor.

(ii) Faster development of newly discovered oilfields.

(iii) Finding new hydrocarbon reserves through intensified exploration activities such as-
- Exploration at greater depths in existing fields.
- Extending exploration activities to deep waters and frontier areas.
- Increased private participation in exploration activities through implementation of New Exploration Licensing Policy.